

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBERS 135, 257, AND 435
SOUTH BEND, INDIANA

January 1, 2004 to December 31, 2004



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report.....	3
Schedule of Collections and Distributions.....	4
Notes to Schedule of Collections and Distributions	5
Statistical Information.....	6
Examination Results and Comments:	
Accountable Items	7
Document Retention	7
Exit Conference.....	8

OFFICIALS

Office

Official

Term

Chairman, Bureau of Motor
Vehicles Commission

Gerald Coleman
Mary DePrez
Joel Silverman

01-06-02 to 02-29-04
03-01-04 to 01-09-05
01-10-05 to 01-11-09

Branch Manager

Linda Williams
Vickie Derickson
Shirley Budka

01-01-04 to 04-21-05
04-22-05 to 05-04-05
05-05-05 to 12-31-05



STATE OF INDIANA

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE STATE BUREAU OF MOTOR VEHICLES COMMISSION

We have examined the Schedule of Collections and Distributions of the State Bureau of Motor Vehicles Commission License Branch Numbers 135, 257, and 435 (Branches) for the period of January 1, 2004 to December 31, 2004. The Branch's management is responsible for the schedule. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the Schedule of Collections and Distributions and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedule referred to above presents fairly, in all material respects, the cash transactions of the Branches for the year ended December 31, 2004, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

December 1, 2005

STATE BUREAU OF MOTOR VEHICLES COMMISSION
 LICENSE BRANCH NUMBERS 135, 257, AND 435
 SOUTH BEND, INDIANA
 SCHEDULE OF COLLECTIONS AND DISTRIBUTIONS
 January 1, 2004 to December 31, 2004

	Branch Number 135	Branch Number 257	Branch Number 435	Totals (Memorandum Only)
Collections:				
Registrations	\$ 5,098,180	\$ 766,055	\$ 120,713	\$ 5,218,893
Titles	1,547,177	-	27,248	1,574,425
Drivers licenses	315,398	-	51,605	367,003
Watercraft	55,994	-	1,178	57,172
Miscellaneous	<u>2,116</u>	<u>-</u>	<u>19</u>	<u>2,135</u>
Totals	<u>\$ 7,018,865</u>	<u>\$ 766,055</u>	<u>\$ 200,763</u>	<u>\$ 7,219,628</u>
Distributions:				
State fees	\$ 2,620,124	\$ 137,390	\$ 69,343	\$ 2,689,467
County tax	3,601,014	569,829	88,588	3,689,602
Commission fees	<u>797,727</u>	<u>58,836</u>	<u>42,832</u>	<u>840,559</u>
Totals	<u>\$ 7,018,865</u>	<u>\$ 766,055</u>	<u>\$ 200,763</u>	<u>\$ 7,219,628</u>

The accompanying notes are an integral part of the schedule.

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBERS 135, 257, AND 435
SOUTH BEND, INDIANA
NOTES TO SCHEDULE OF COLLECTIONS AND DISTRIBUTIONS

Note 1. Introduction

The Motor Vehicles Commission was created to manage the motor vehicle license branches. The Bureau of Motor Vehicles is a separate state agency which provides support services to the Commission controlled license branches. The license branches collect fees which fund the Motor Vehicles Commission. The license branches collect and forward county taxes (excise tax, wheel tax, and surtax) and state fees. The Commission has one contractual branch that is administered by an individual contractor according to Bureau policies. The Commission has developed a mobile license branch to serve the need of CDL license issuance and other special needs as they arise.

Note 2. Collections and Distributions

Each branch collects fees and taxes when vehicle and watercraft registrations, titles, and drivers licenses are sold. Fees are uniform throughout the state.

The total daily collections are deposited to a single bank account. From this account the collections are distributed to separate bank accounts which are not controlled by the license branch and belong to the state, county and Bureau of Motor Vehicles Commission.

Note 3. Banking System

The Bureau of Motor Vehicles Commission has entered into an agreement with Bank One for a cash concentration system. The system utilizes a series of individual noninterest bearing accounts (clearing accounts) from which all fees and taxes are transferred.

Note 4. Self-Service Terminal

This report contains financial and statistical information for South Bend License Branch Numbers 135, 257, and 435. License Branch Number 257 is a self-service terminal (SST). The manager of South Bend License Branch Number 135 is responsible for maintaining the SST.

Note 5. State Reinstatement of Driver Licenses (SRED)

In 2004, \$1,149,545 in state fees were collected by South Bend License Branch Number 435, a regional site for the reinstatement of suspended drivers licenses. SRED collections are deposited daily in the branch clearing account. SRED fees are remitted to the state through bank transfers as described in Notes 1 and 2. These monies have not been reported in the Schedule of Collections and Distributions.

STATE BUREAU OF MOTOR VEHICLES COMMISSION
 LICENSE BRANCH NUMBERS 135, 257, AND 435
 SOUTH BEND, INDIANA
 STATISTICAL INFORMATION
 January 1, 2004 to December 31, 2004

<u>Transactions Processed</u>	<u>Branch Number 135</u>	<u>Branch Number 257</u>	<u>Branch Number 435</u>	<u>Totals (Memorandum Only)</u>
Vehicle registrations:				
Passenger	28,688	5,236	812	29,500
Motorcycle	917	167	27	944
RV (housecar)	283	48	6	289
Light truck	7,655	1,181	183	7,838
Other truck	617	15	4	621
Farm truck	69	2	-	69
Tractor	55	1	-	55
Trailer	2,268	262	45	2,313
Semitrailer	688	-	-	688
School and church bus	72	1	-	72
Other bus	20	1	-	20
Other	10	-	-	10
Total vehicle registrations	<u>41,342</u>	<u>6,914</u>	<u>1,077</u>	<u>42,419</u>
Drivers licenses and permits:				
Drivers licenses/learners permits	11,659	-	1,413	13,072
CDL licenses/CDL permits	1,510	-	136	1,646
Placards	1,458	-	31	1,489
Other	10,354	-	2,450	12,804
Total drivers licenses and permits	<u>24,981</u>	<u>-</u>	<u>4,030</u>	<u>29,011</u>
Titles:				
Vehicles	36,800	-	698	37,498
Watercraft	196	-	3	199
Total titles	<u>36,996</u>	<u>-</u>	<u>701</u>	<u>37,697</u>
Total watercraft registrations	<u>788</u>	<u>-</u>	<u>23</u>	<u>811</u>

STATE BUREAU OF MOTOR VEHICLES COMMISSION
 LICENSE BRANCH NUMBERS 135, 257, AND 435
 SOUTH BEND, INDIANA
 EXAMINATION RESULTS AND COMMENTS

ACCOUNTABLE ITEMS

The following schedule details missing items revealed during a comparison of actual inventory of accountable items to the Open Inventory Report of the State Bureau of Motor Vehicles at December 31, 2004. No evidence was found to indicate these items have been sold.

Year	Plate Type	Plate Number	
		First	Last
2004	Passenger	71A100	
2005	Trailer	337896A	
2005	Trailer	51508B	
2006	Boy Scouts	BP3586	
2006	Indiana University	CC3337	CC3356
2006	Indiana University	IU6233	
2006	Children Trust	KC5285	
2006	Children Trust	KE5345	
2006	Hoosier Safety	FS56	
2006	Hoosier Safety	SH2355	
2007	Disabled American Veteran I	1162	
2007	Passenger	71D9460	
2007	Passenger	71E5018	
2007	Passenger	71E5035	
2007	Passenger	71E5036	
2007	Passenger	71E5044	
2007	Passenger	71E5045	
2007	Passenger	71E5081	
2007	Passenger	71E6764	
2007	Passenger	71F455	
2007	Truck	112713L	
2007	Truck	112720L	
2007	Truck	112787L	
2008	Temporary	19604	
2008	Farm Semi-Trailer	592166	

A listing of the items that are to be accounted for to the State Board of Accounts is included in the Branch Operations Policies and Procedures Manual. (Branch Operations Policies and Procedures Manual, Supplies and Equipment Chapter)

DOCUMENT RETENTION

The 2004 Held for Audit inventory sealed by the State Board of Accounts in a single box on January 4, 2005, could not be located in the branch. The contents of the box are noted on five sheets of paper, each signed by the branch manager and an auditor from the State Board of Accounts.

Documents should be retained in accordance with the retention schedule approved by the Oversight Commission on Public Records. Also, documents must be attainable, upon request, during an audit. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, pages 1:5 and 1:6)

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBERS 135, 257, AND 435
SOUTH BEND, INDIANA
EXIT CONFERENCE

The contents of this report were discussed on December 1, 2005, with Sheri DeHoyoa, Assistant Manager.